

**TWENTY-SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
Covington, Louisiana**

**FINANCIAL STATEMENTS
JUNE 30, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **MAR 07 2012**

Independent Auditor's Report	1 - 2
Required Supplemental Information – Part 1	
Management's Discussion and Analysis	4 - 5
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	7
Statement of Activities	8
Fund Financial Statements	
Balance Sheet – Governmental Funds	10
Statement of Revenues, Expenditures and Changes In Fund Balance – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	12
Notes to Financial Statements	13–19
Required Supplemental Information – Part II	
Budgetary Comparison Schedule – General Fund	21
Budgetary Comparison Schedule – Special Revenue Fund	22
Schedule of Governing Board	23
Other Reports	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25 –26

RONALD W. GARRITY, APAC
CERTIFIED PUBLIC ACCOUNTANTS
71206 HENDRY AVENUE
COVINGTON, LA 70433
TELEPHONE (985) 892-9237
FAX (985) 809-9237

RONALD W. GARRITY, C.P.A.

MEMBER
AMERICAN INSTITUTE OF CPA'S
SOCIETY OF LOUISIANA CPA'S

GLENN A. DUMUN, C.P.A.

Independent Auditor's Report

Mr. John Simmons, District Public Defender
Twenty-Second Judicial District
Public Defender Office
Covington, Louisiana

We have audited the governmental activities and each major fund of the Twenty-Second Judicial District Public Defender Office, which collectively comprise the basic financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Twenty-Second Judicial District Public Defender Office management. Our responsibility is to express an opinion on these financial statements based on our audit.

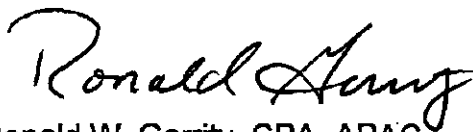
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Twenty-Second Judicial District Public Defender Office as of June 30, 2011, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 and 5 and the budgetary schedules on pages 21 and 22 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain

limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basis financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2012, on our consideration of the Twenty-Second Judicial District Public Defender Office's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A handwritten signature in black ink, reading "Ronald W. Garrity". The signature is written in a cursive, flowing style.

Ronald W. Garrity, CPA, APAC

February 24, 2012

REQUIRED SUPPLEMENTAL INFORMATION – PART 1
MANAGEMENT'S DISCUSSION AND ANALYSIS

**TWENTY-SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE**

**Management's Discussion and Analysis
June 30, 2011**

Our discussion and analysis of the Twenty Second Judicial District Public Defenders Office's (the Organization) financial performance provides an overview of our financial activities for the year ended June 30, 2011. Direct prior year comparison of data, and particularly operating data, was not possible because the prior reporting period was for eighteen months. The Organization changed from a calendar year to a fiscal year as prescribed by the Louisiana Public Defender Board. Please read it in conjunction with the financial statements enclosed.

Financial Highlights

- The Organization's net assets increased by 19% as result of operations during the year.
- For the year, the Organization had operating and non-operating revenues that were \$142,856 greater than the \$2,790,486 in operating expenses. This augmentation to fund balance will be used to meet operational obligations in fiscal year 2011-2012 to make up for realized 2012 funding diminutions.
- Local court revenues have moderately declined during the year but shared revenues (bail bond fees and bond forfeitures) increased moderately during the year.
- Interest income was significantly lower as a result of historically low interest rates.
- Funds for the Parent Representation program were received, and recorded as revenue. Funds received exceeded current year expenditures in the amount of \$66,084. This was a direct result of the change from the accrual basis of revenue recognition to the modified cash basis of revenue recognition. These funds are committed for CINC adult cases only.
- Revenue streams for the Louisiana Public Defender Board (District Assistance Funds and Parent Representation Funds) solely by fiscal year deposits are as follows:
 1. 2009-2010 \$1,089,211
 2. 2010-2011 \$1,368,177

Using this Annual Report

This annual report consists of a report on the general financial highlighted statements (above), a *general report on the entity performance as a whole*, and an activities statement on contributing factors affecting the Organization's past and future financial conditions. Other supporting financial statements and comments are enclosed as components to the annual audit as presented by our auditor.

Reporting on the Organization as a Whole

The payroll related structure for the Organization is prepared on an average of 94% of total expenditures coming from direct and indirect payroll related expenses for staff personnel, part-time contract attorneys for the Child In Need of Care (CINC) Adult program personnel, and from contract attorneys (by case) of the Conflict Panel. The staffing levels were maintained at the previous fiscal years' manpower levels with the intent of austerity measures with the anticipation of funding challenges. Replacement personnel from turnover were replaced at lower costs to the organization. Staff workloads remain a challenge to remedy. Predictable and sustainable

**TWENTY-SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE**

**Management's Discussion and Analysis
June 30, 2011**

funding remains a historic contest for planning and implementing end strength development within the client investigation and representation arenas. This managerial challenge is being addressed in the current 2011-2012 fiscal year with assistance from the Louisiana Public Defender Board.

The Organization Activities

The 22nd Judicial District Public Defender Office and the District Public Defender continue to address the local needs of the public defender system within St. Tammany and Washington Parishes. Thirty-seven statutory employees (twenty-two attorneys and fifteen support staff) and five part-time contract attorneys are employed to address the initiatives as undertaken under the now codified Act 307. Looking ahead, with the pending review of our delivery organization for potential change in operational structure, our mission remains to best provide the services needed within our area.

Contacting the Organization's Financial Management

This financial report is designed to provide our citizens, customers and other interested parties with a general overview of the Organization's finances and to demonstrate the Organization's finances and accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Organization's accountant at (985) 892-5002.

BASIC FINANCIAL STATEMENTS
GOVERNMENT – WIDE FINANCIAL STATEMENTS

TWENTY-SECOND JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
STATEMENT OF NET ASSETS
June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 462,560
Certificates of Deposit	500,000
Accounts Receivable	104,291
Probation Fees Receivable - Net of Allowance of \$1,079,593	62,500
Capital Assets - Net of Accumulated Depreciation of \$37,055	<u>10,889</u>
TOTAL ASSETS	<u>\$ 1,140,240</u>
LIABILITIES	
Accrued Payroll Liabilities	2,592
Deferred Revenue - Felony Probation Fees	<u>62,500</u>
TOTAL LIABILITIES	<u>\$ 65,092</u>
NET ASSETS	
Investment in Capital Assets	10,889
Unassigned	<u>1,064,259</u>
TOTAL NET ASSETS	<u>\$ 1,075,148</u>

The accompanying footnotes are an integral part of these financial statements

TWENTY-SECOND JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
 STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2011

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Awards	Governmental Unit
FUNCTIONS/PROGRAMS				
Governmental Activities:				
PUBLIC DEFENDER	\$ 2,797,395	\$ 1,280,756	\$ 1,509,201	\$ (7,438)
Total Governmental Activities	<u>2,797,395</u>	<u>1,280,756</u>	<u>1,509,201</u>	<u>(7,438)</u>
General Revenues:				
Shared Revenues				138,052
Interest and Investment Earnings				<u>5,333</u>
				<u>143,385</u>
Excess of Revenues over Expenses				135,947
Net Assets - June 30, 2010				<u>939,201</u>
Net Assets - June 30, 2011				<u>\$ 1,075,148</u>

The accompanying footnotes are an integral part of these financial statements.

**BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS
GOVERNMENTAL FUNDS**

TWENTY-SECOND JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
 STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS
 June 30, 2011

	<u>Governmental Funds</u>
ASSETS	
Cash	\$ 462,560
Certificates of Deposit	500,000
Accounts Receivable	104,291
Probation Fees Receivable - Net of Allowance of \$1,079,593	<u>62,500</u>
TOTAL ASSETS	<u>\$ 1,129,351</u>
 LIABILITIES	
Accrued Payroll Liabilities	\$ 2,592
Deferred Revenue - Felony Probation Fees	<u>62,500</u>
TOTAL LIABILITIES	<u>65,092</u>
 NET ASSETS	
Unassigned Fund Balance	<u>1,064,259</u>
TOTAL NET ASSETS	<u>\$ 1,064,259</u>
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS	
Net Assets per Statement of Net Assets	\$ 1,075,148
Capital assets used in governmental activities that are not a financial resource	<u>(10,889)</u>
Unassigned Fund Balance per Statement of Assets, Liabilities and Net Assets	<u>\$ 1,064,259</u>

The accompanying footnotes are an integral part of these financial statements

TWENTY-SECOND JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
 STATEMENT OF REVENUE, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2011

	General Fund	Special Revenue Fund	Total
REVENUES			
Court Cost, Fees & Charges	\$ 1,205,441	\$ -	\$ 1,205,441
Share Revenues	138,052	-	138,052
Intake Fees	75,315	-	75,315
Interest Income	5,333	-	5,333
Grants & Awards			
Judicial District Court	75,000	-	75,000
Defense Assistance Fund	-	1,434,201	1,434,201
TOTAL REVENUES	<u>1,499,141</u>	<u>1,434,201</u>	<u>2,933,342</u>
EXPENDITURES			
Salaries, Wages & Fringes	985,303	1,284,201	2,269,504
Contract Attorney Fees & Costs	202,637	150,000	352,637
Capital Outlays	1,141	-	1,141
Rent	28,129	-	28,129
Travel	18,017	-	18,017
Continuing Education	820	-	820
Insurance	42,195	-	42,195
Law Library	26,350	-	26,350
Office Supplies & Expenses	18,217	-	18,217
Accounting & Audit	3,600	-	3,600
Telephone & Utilities	26,534	-	26,534
Other Operating Expenses	3,340	-	3,340
Other Expenses	<u>2</u>	<u>-</u>	<u>2</u>
TOTAL EXPENDITURES	<u>1,356,285</u>	<u>1,434,201</u>	<u>2,790,486</u>
CHANGES IN FUND BALANCE	142,856	-	142,856
FUND BALANCE; June 30, 2010	<u>921,403</u>	<u>-</u>	<u>921,403</u>
FUND BALANCE; June 30, 2011	<u>\$ 1,064,259</u>	<u>\$ -</u>	<u>\$ 1,064,259</u>

The accompanying notes are an integral part of these financial statements

TWENTY-SECOND JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
RECONCILIATION OF STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCE TO THE STATEMENT OF NET ACTIVITIES
For the Year Ended June 30, 2011

Net Change in Fund Balance - Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 142,856
Capital Outlays expensed in the Statement of Revenue, Expenditures and Changes in Fund Balance	1,141
Depreciation expensed in the Statement of Activities	<u>(8,050)</u>
Change in Net Assets	<u>\$ 135,947</u>

The accompanying notes are an integral part of these financial statements

TWENTY-SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
NOTES TO FINANCIAL STATEMENTS
June 30, 2011

Note 1. Summary of Significant Accounting Policies

The Twenty-Second Judicial District Public Defenders Office (the Organization) operates under Act 307 implemented August 15, 2007. The Organization provides counsel to represent indigent (needy individuals) in criminal cases at the District level. The Organization encompasses the parishes of Washington and St. Tammany, which are located in the State of Louisiana.

The Organization is composed of a District Public Defender who works under the supervision of the Louisiana Public Defender Office. A State Louisiana Public Defender Board governs the Louisiana Public Defender Office.

Revenues to finance the Organization's operations are provided primarily from court costs on fines imposed by the various courts within the District and from State revenues received through either annual distributions or targeted program funding from the Louisiana Public Defender Office.

Basis of Presentation

The accompanying basic financial statements of the Twenty-Second Judicial District Public Defenders Office have been presented in conformity with governmental accounting standards generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The general fund is accounted for using a current financial resources measurement focus. Only current assets and current liabilities are generally included in this measurement focus on the balance sheet. The operating statement represents increases and decreases in net current assets.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the Organization. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital

Note 1. Summary of Significant Accounting Policies (Continued)

requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds.

Fund Financial Statements (FFS)

The Organization uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Board functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The funds of the Organization are classified as governmental and special revenue. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Organization or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds.

Reporting Entity

For financial statement reporting purposes, the Organization is a part of the district court system of the State of Louisiana. However, the state statutes that create the Organizations also give each of the Organizations control over all of their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Organization is financially independent and operates independently from the district court system. The financial statements include only the transactions of the Organization.

Governmental Fund Accounting

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The Organization uses two funds to report the Organization's financial position and the results of operations. The general fund reports all transactions of the organization other than those funds to be used for a purpose specified by law or agreement. A special revenue fund (grant fund) reports all transactions for grant money.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The general fund is accounted for using a current financial resources measurement focus. Only current assets and current liabilities are generally included in this measurement focus on the balance sheet. The operating statement represents increases and decreases in net current assets. The general fund uses the following practices in recording revenues and expenditures:

Revenues - Court costs on fines and forfeitures imposed by the district and city courts are recorded in the year they are collected by the contributing agencies. Fees from indigents are recorded when received. Interest income is accrued when earned. All other revenues and grants are recorded when earned.

TWENTY –SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
NOTES TO FINANCIAL STATEMENTS
June 30, 2011

Note 1. Summary of Significant Accounting Policies (Continued)

Expenditures – Expenses, other than payroll, are generally recognized when paid. Payroll liabilities are recognized when the related liability is incurred. Operating and non-operating liabilities are recorded when significant or material.

Budget Policies

The Organization is required by law to adopt an annual budget. The Organization adopted and prepared a budget for the general fund and the special revenue fund on the modified cash basis of accounting for the year ended June 30, 2011.

This budget is presented with these financial statements in the supplementary section of the report on pages 21 and 22.

This budget was integrated into the accounting records and employed as a management control device. Budget and actual financial performance are presented to the Louisiana Public Defender board in an annual and respectively monthly basis for corresponding balance sheet and income/expense performances. The Organization does not use encumbrance accounting and appropriations lapse at the end of each year

Cash

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Organization may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Probation Fees Receivable

Receivables for probation fees are fees imposed by the courts as a condition of probation and are reported net of uncollectible amounts. Traditionally, collection of these fees is highly questionable. Accordingly, the amounts collected are treated as deferred revenue.

Grants

The Organization's major grant is reported as special revenue in a special revenue fund. The Organization has two distributions grants that were engaged as of June 30, 2011, from the State of Louisiana's Board's District Assistance Fund.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Compensated Absences

The Organization's employees earn varying amounts of vacation and sick leave each year. Employees cannot accrue sick leave or vacation leave past December 31st of each year. Unused accrued vacation (maximum of ten days) is paid at December 31st.

TWENTY -SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
NOTES TO FINANCIAL STATEMENTS
June 30, 2011

Note 1. Summary of Significant Accounting Policies (Continued)

At termination, employees may be paid for unused vacation; however, sick leave is forfeited.

Cash and Cash Equivalents and Investments

Cash includes amounts in interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those other investments with original maturities of 90 days or less. Under state law, the Public Defender Office may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Public Defender Office may invest in United States bonds, treasury notes, or treasury bills. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at their fair market value.

Capital Assets

All fixed assets of the Organization are recorded at historical costs. Depreciation of all *exhaustible fixed assets is charged as an expense against their operations.*

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. The Organization capitalizes equipment and furniture in excess of \$500. The following estimated useful lives and methods are used to compute depreciation:

Furniture, Fixtures and Equipment	7 - 10 Years	Straight Line
Computers	5 - 10 Years	Straight Line

Depreciation expense amounted to \$8,050 for the year ended June 30, 2011.

Subsequent Events

The subsequent events of the Public Defender Office were evaluated through the date the financial statements were available to be issued which is October 31, 2011.

Note 2. Cash and Cash Equivalents

The following is a summary of cash and cash equivalents (book balances) at June 30, 2011:

Demand Deposits	\$ 462,560
Certificates of Deposits	<u>500,000</u>
Total Cash and Cash Equivalents	<u>\$ 962,560</u>

TWENTY-SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
NOTES TO FINANCIAL STATEMENTS
June 30, 2011

Note 2. Cash and Cash Equivalents (Continued)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2011, the Organization has \$1,031,634 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 in federal deposit insurance, \$1,691,685 (book value) of pledged securities held by the custodial bank (Federal Reserve Bank) in the name of the fiscal agent bank (GASB Category 3).

Note 3. Capital Assets

The Organization's furniture and fixtures consist of the following for June 30, 2011:

	Beginning Balance	Additions	Retirements	Ending Balance
Furniture and Fixtures	\$ 50,417	1,141	(3,614)	\$ 47,944
Less: Accumulated Depreciation	(32,619)	(8,050)	3,614	(37,055)
Net Fixed Assets	\$ 17,798	(6,909)	-0-	\$10,889

Note 4. Concentrations

The majority of revenue earned by the Organization comes from the Parish of St. Tammany and the City of Slidell in the form of court costs.

Note 5. Operating Lease

On January 1, 1999, the Office entered into a lease in Washington Parish for office space. The lease is non-cancelable with an option to lease the building until December 2005, with monthly payments of \$900. There are two renewal periods - each with a five-year term. The lease was renewed with an effective date of October 1, 2005. Rent expense totaled \$10,800 for the year ended June 30, 2011.

On October 1, 2008, the Office entered into a lease in St. Tammany Parish for office space. The lease is non-cancelable with an option to lease the building until September 30, 2012, with monthly payments of \$1,429 (\$1,294 discounted rate for first four months

TWENTY -SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
NOTES TO FINANCIAL STATEMENTS
June 30, 2011

Note 5. Operating Lease (Continued)

of fiscal year 2008 due to office renovations). There is one renewal period - 60 days prior to expiration with a five-year term. Rent expense totaled \$17,148 for the year ended June 30, 2011. Total rent expense for the year was \$27,948.

Additionally, in March 2010 the Office leased a copy machine for 60 months at \$181 per month. Total payments made under this lease in the year were \$1,994.

Future minimum payments under these leases are as follows:

June 2012	\$ 19,320
June 2013	\$ 6,459
June 2014	\$ 2,172
June 2015	\$ 1,629
June 2016	\$ -

Note 6. Government Fund Revenues & Expenditures

For the year ended June 30, 2011, the major sources of governmental fund revenues and expenditures were as follows:

	Governmental Fund Revenues
State Government	
Grants	\$ 1,434,201
Local Government	
Grants	75,000
On-Behalf Payments	1,343,493
Other	-0-
Total	<u>1,418,493</u>
Charges for Services	75,315
Investment Income	5,333
Miscellaneous Income	<u>-0-</u>
Total Revenues	<u>\$ 2,933,342</u>

TWENTY -SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER OFFICE
NOTES TO FINANCIAL STATEMENTS
June 30, 2011

Note 6. Government Fund Revenues & Expenditures - Continued

	Governmental Fund Expenditures
Personnel Services and Benefits	
Salaries	\$ 1,871,079
Insurance	255,890
Payroll Taxes	<u>142,535</u>
Total	2,269,504
Professional Development	
Dues, Licenses and Registrations	820
Travel	3,631
Other	<u>0</u>
Total	4,451
Operating Costs	
Library & Research	26,350
Contract Services - Attorney	332,106
Contract Services - Other	20,531
Lease - Office	30,129
Travel - transportation	14,386
Insurance	42,195
Supplies	14,768
Repairs and Maintenance	1,449
Utilities and Telephone	26,534
Other	<u>6,942</u>
Total	515,390
Capital Outlay	<u>1,141</u>
Total Expenditures	<u>\$ 2,790,486</u>

REQUIRED SUPPLEMENTAL INFORMATION – PART 1I

TWENTY-SECOND JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2011

	<u>Budget Amount</u>	<u>Actual</u>	<u>Budget Variance</u>
REVENUES			
Court Cost, Fees & Charges	\$ 1,088,820	\$ 1,205,441	\$ 116,621
Share Revenues	203,280	138,052	(65,228)
Intake Fees	78,000	75,315	(2,685)
Interest Income	5,580	5,333	(247)
Miscellaneous Income	-	-	-
Grants & Awards			
Judicial District Court	75,000	75,000	-
Defense Assistance Fund	-	-	-
TOTAL REVENUES	<u>1,450,680</u>	<u>1,499,141</u>	<u>48,461</u>
EXPENDITURES			
Salaries, Wages & Fringes	979,199	985,303	(6,104)
Contract Attorney Fees & Costs	243,190	202,637	40,553
Capital Outlays	7,110	1,141	5,969
Rent	28,800	28,129	671
Travel	12,904	18,017	(5,113)
Continuing Education	10,200	820	9,380
Insurance	28,101	42,195	(14,094)
Law Library	17,746	26,350	(8,604)
Office Supplies & Expenses	14,026	18,217	(4,191)
Accounting & Audit	8,206	3,600	4,606
Telephone & Utilities	24,577	26,534	(1,957)
Other Operating Expenses	1,639	3,340	(1,701)
Other Expenses	156	2	154
TOTAL EXPENDITURES	<u>1,375,854</u>	<u>1,356,285</u>	<u>19,569</u>
CHANGES IN FUND BALANCE	<u>\$ 74,826</u>	142,856	<u>\$ 68,030</u>
FUND BALANCE; June 30, 2010		<u>921,403</u>	
FUND BALANCE; June 30, 2011		<u>\$ 1,064,259</u>	

TWENTY-SECOND JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
Budgetary Comparison Schedule - Special Revenue Fund
For the Year Ended June 30, 2011

	<u>Budget Amount</u>	<u>Actual</u>	<u>Budget Variance</u>
REVENUES			
Grants & Awards			
Defense Assistance Fund	\$ 1,381,750	\$ 1,434,201	\$ 52,451
TOTAL REVENUES	<u>1,381,750</u>	<u>1,434,201</u>	<u>52,451</u>
EXPENDITURES			
Salaries, Wages & Fringes	1,298,109	1,284,201	13,908
Contract Attorney Fees & Costs	<u>150,000</u>	<u>150,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,448,109</u>	<u>1,434,201</u>	<u>13,908</u>
CHANGES IN FUND BALANCE	<u>\$ (66,359)</u>	-	<u>\$ 66,359</u>
FUND BALANCE; June 30, 2010		<u>-</u>	
FUND BALANCE; June 30, 2011		<u>\$ -</u>	

**TWENTY-SECOND JUDICIAL DISTRICT
PUBLIC DEFENDER PROGRAM**

**Schedule of Governing Board
June 30, 2011**

Louisiana Public Defender Office

Jean M. Faria

State Public Defender

Louisiana Public Defender Board

500 Laurel Street, Suite 300

Baton Rouge, LA 70801

OTHER REPORTS

RONALD W. GARRITY, APAC
CERTIFIED PUBLIC ACCOUNTANTS
71206 HENDRY AVENUE
COVINGTON, LA 70433
TELEPHONE (985) 892-9237
FAX (985) 809-9237

RONALD W. GARRITY, C.P.A.

GLENN A. DUMUN, C.P.A.

MEMBER
AMERICAN INSTITUTE OF CPA'S
SOCIETY OF LOUISIANA CPA'S

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Mr. John Simmons, District Public Defender
Twenty-Second Judicial District
Public Defender Office
Covington, Louisiana

We have audited the financial statements of the Twenty-Second Judicial District Public Defender Office as of, and for the year ended June 30, 2011, and have issued our report thereon dated February 24, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Twenty-Second Judicial District Public Defender Office's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Twenty-Second Judicial District Public Defenders Office's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Twenty-Second Judicial District Public Defender Office's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Twenty-Second Judicial District Public Defender Office's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of management and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties.



Ronald W. Garrity, CPA, APAC

February 24, 2012